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Senior Executive Intelligence Brief



Monday, 27 September 1999

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Indonesia: More Unrest Anticipated in Jakarta

Contacts of US diplomats expect student activists who staged violent protests last week against Indonesia's new state security law to mount more demonstrations this week, [redacted] the authorities are bracing for trouble. Members of several student organizations yesterday used a peaceful march commemorating students killed in the protests to reiterate their demand that the bill be rejected, not merely deferred, according to local press reports.

— Jakarta's police chief yesterday asserted that groups behind the demonstrations are planning to stage mass protests when the People's Consultative Assembly convenes on Friday. [redacted]

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Leading Development

Indonesia:
Analytic Perspective

Struggling To Manage Provincial Tension

Government mishandling of the East Timor issue is raising doubts in Indonesia about Jakarta's longstanding reliance on military intimidation to squelch provincial discontent. While most Indonesians feel little common cause with East Timorese, an increasingly politicized public and a more open media will challenge the central government's dominance and the military's hardnosed reaction to public protest.

- Large student protests—sparked by public suspicion that new national security legislation would embolden the military—have returned to Jakarta for the first time in more than a year.

Old Tactics Failing

The East Timor debacle, an inadequate response to demands for provincial autonomy, and the overreaction of security forces to the student protests that hastened former President Soeharto's ouster have discredited President Habibie and the military—twin pillars of the governing arrangement. Nevertheless, the central government is unable or unwilling to end its traditional dependence on military intimidation to preserve national cohesion.

- The military, which has used violence to suppress separatist movements, appears poised to use the same methods in areas such as Aceh and Irian Jaya, where activists now are pressing for self-determination.
- These tactics have become less effective since Soeharto's fall and may be fueling disintegration by reducing the room for civilians to work out solutions.

Old Problems Worsening

Even if the government stopped relying on the military to suppress separatism, Jakarta would continue to face tension because of ethnic and religious diversity. Moreover, the continuing economic crisis and the squabbling among political elites over the coming session of the People's Consultative Assembly is reinforcing perceptions around the archipelago that the capital is out of touch with outer provinces.

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- The administration's failure to follow through quickly on earlier promises to decentralize government authority and to allow outer provinces to keep a greater proportion of the royalties from their natural resources has compounded its troubles.
- The presidential candidates have not specified how they would address these issues—a further indication that regional grievances will remain contentious.

The devolution of power from Jakarta to the periphery is inevitable, but Jakarta's ability to manage the change and avoid disintegration will hinge in large part on how well the new government can meet the difficult challenge of orchestrating economic recovery. Economic growth historically has dampened center-periphery tension and would enable Jakarta to direct more resources to the outer provinces.

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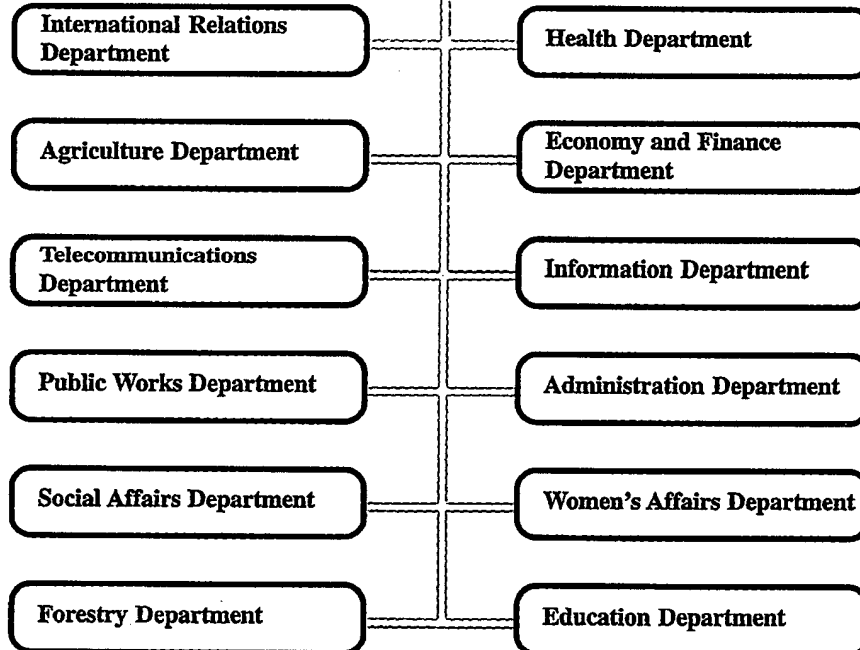
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Organization of the National Council for the Timorese Resistance



National Political Commission
President Jose "Xanana" Gusmao
Vice President Jose Ramos-Horta
(five additional Vice Presidents)

Executive Council
Vice President Jose Ramos-Horta
(Chairman)



The National Council for the Timorese Resistance (CNRT)—led by Jose "Xanana" Gusmao—is an umbrella organization formed last year to unite East Timor's fragmented resistance groups. Gusmao will rely on the CNRT's Executive Council and several departments to build a presence to fill the leadership vacuum in East Timor even before the UN formally takes over administration. Gusmao and the CNRT also will be crucial in lobbying educated Timorese exiles to return to help build an independent East Timor and in bridging the gap between returnees and those who stayed behind to fight Jakarta. The CNRT has adopted a flag, an anthem, and a charter that could become the basis of a constitution for an independent East Timor, to be called Timor Lorosae.

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Regional Notes

EAST ASIA

Indonesia:

Vacuum of Authority in East Timor

The withdrawal of Indonesian troops leaves an administrative and security void in some areas outside the control of the International Force for East Timor (INTERFET) that the militias temporarily could exploit.

— INTERFET troops last week had to stop hungry refugees from sacking a relief warehouse in Dili, and the lack of security forces in most areas continues to hinder food deliveries by relief organizations, according to press reports

Jakarta's lifting of martial law last week could encourage the militias and proindependence forces to step up operations.

proindependence Falantil fighters—until now largely dormant—have begun patrolling between Dili and the border with West Timor as pro-Jakarta militias reenter East Timor from the west.

“Xanana” Gusmao and other proindependence leaders will press peacekeeping forces and relief organizations to stabilize the situation. Gusmao last week ruled out a government-in-exile and promised to work with the UN to organize elections once the Indonesian People's Consultative Assembly reverses Jakarta's annexation of the territory.

— Gusmao's office in Lisbon says he will lead a delegation to Washington this week to seek World Bank development aid, and that he plans to outline publicly an economic development plan and a proposed constitution for East Timor.

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